

Appendix I
Section 7 Threatened and Endangered Species
and EFH Agency Consultation

INDEX

DATE	FROM/NAME	AGENCY	TO/NAME	AGENCY
4/27/2004	Mark Prescott, Chief	US Coast Guard - Office of Deepwater Ports Standards Division	Rodney McInnis, Acting Regional Administrator for Protected Resources	US Dept of Commerce - National Oceanic and Atmospheric Administration, National Marine Fisheries Service
5/5/2004	Mark Prescott, Chief	US Coast Guard - Office of Deepwater Ports Standards Division	Diane Noda, Field Supervisor	US Fish and Wildlife Service, Ventura Fish and Wildlife Office
9/3/2004	Margaret F. Hayes, Acting Deputy Assistant Secretary For Oceans and Fisheries	US Dept of State - Bureau of Oceans and International Environmental and Scientific Affairs	Rear Admiral Thomas H. Gilmour, Commandant	US Coast Guard
12/15/2004	Rick Farris - Division Chief	US Dept of the Interior - Fish and Wildlife Service, Ventura Fish and Wildlife Office	Mark Prescott, Chief	US Coast Guard - Office of Deepwater Ports Standards Division
12/20/2004	Daniel J. Basta, Director - National Marine Sanctuary Program	US Dept of Commerce - National Oceanic and Atmospheric Administration, National Ocean Service	Lt. Ken Kusano	US Coast Guard - Office of Operating and Environmental Standards (G- MSO-2)
12/20/2004	Susan A. Kennedy, Acting NEPA Coordinator	US Dept of Commerce - National Oceanic and Atmospheric Administration, Program Planning and Integration	Lt. Ken Kusano	US Coast Guard - Office of Operating and Environmental Standards (G- MSO-2)
12/20/2004	Roland A. Schmitt, Acting Director - Office of Habitat Conservation	US Dept of Commerce - National Oceanic and Atmospheric Administration, National Marine Fisheries Service	Lt. Ken Kusano	US Coast Guard - Office of Operating and Environmental Standards (G- MSO-2)

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DATE	FROM/NAME	AGENCY	TO/NAME	AGENCY
9/15/2005	R.W. Martin, Project Manager	US Coast Guard - Office of Deepwater Ports Standards Division	Diane Noda, Field Supervisor	US Fish and Wildlife Service, Ventura Fish and Wildlife Office
9/15/2005	R.W. Martin, Project Manager	US Coast Guard - Office of Deepwater Ports Standards Division	Rodney McInnis, Acting Regional Administrator for Protected Resources	US Dept of Commerce - National Oceanic and Atmospheric Administration, National Marine Fisheries Service
12/20/2005	Carl T. Benz - Assistant Field Supervisor	US Dept of the Interior - Fish and Wildlife Service, Ventura Fish and Wildlife Office	Joan Lang, Commandant	US Coast Guard - Office of Deepwater Ports Standards Division
4/5/2006	Mark Prescott, Chief	US Coast Guard - Office of Deepwater Ports Standards Division	Roland A. Schmitt, Jr., Director - Office of Habitat Conservation	US Dept of Commerce - National Oceanic and Atmospheric Administration, National Marine Fisheries Service
6/5/2006	Mark Prescott, Chief	US Coast Guard - Office of Deepwater Ports Standards Division	Monica DeAngelis - Protected Resources, Southwest Region	National Marine Fisheries Service
7/12/2006	Mark Prescott, Chief	US Coast Guard - Office of Deepwater Ports Standards Division	Richard Farris - Division Chief	US Dept of the Interior - Fish and Wildlife Service, Ventura Fish and Wildlife Office
7/14/2006	Rodney McInnis, Regional Administrator	US Dept of Commerce - National Oceanic and Atmospheric Administration, National Marine Fisheries Service	Mark Prescott, Chief	US Coast Guard - Office of Deepwater Ports Standards Division

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DATE	FROM/NAME	AGENCY	TO/NAME	AGENCY
8/31/2006	Mark Prescott, Chief	US Coast Guard - Office of Deepwater Ports Standards Division	Daniel J. Basta, Director - National Marine Sanctuary Program	US Dept of Commerce - National Oceanic and Atmospheric Administration, National Ocean Service
12/21/2006	Mark Prescott, Chief	US Coast Guard - Office of Deepwater Ports Standards Division	Rodney McInnis – Regional Administrator	US Dept of Commerce - National Oceanic and Atmospheric Administration, National Ocean Service
1/31/2007	Rodney McInnis – Regional Administrator	US Dept of Commerce - National Oceanic and Atmospheric Administration, National Ocean Service	Mark Prescott, Chief	US Coast Guard - Office of Deepwater Ports Standards Division



16613

APR 27 2004

Mr. Rodney McInnis
Acting Regional Administrator for Protected Resources,
U.S. Department of Commerce
National Oceanic and Atmospheric Administration,
National Marine Fisheries Service
501 West Ocean Boulevard, Suite 4200
Long Beach, California 90802-4213

**Subject: ENVIRONMENTAL IMPACT STATEMENT/ENVIRONMENTAL IMPACT
REPORT – CABRILLO DEEPWATER PORT PROJECT**

Dear Mr. McInnis:

On September 3, 2003, BHP Billiton LNG International, Inc. submitted an application seeking to own, construct and operate a deepwater port (DWP). The proposed port, known as Cabrillo Port, would be located approximately 14 miles offshore of Ventura County, California. The BHP Billiton application was provided to Mr. Bryant Chesney of your staff on September 9, 2004. The applicant will soon be providing updates of the application to ensure that your staff has the latest information available for your agency's review.

The U.S. Coast Guard (USCG), in conjunction with the California State Lands Commission (CSLC), is preparing an Environmental Impact Statement (EIS)/Environmental Impact Report (EIR) for the construction and operation of the Cabrillo Deepwater Port Project (Port), a Floating, Storage, and Regasification Unit (FSRU). This deepwater port would be the receiving point for shipments of Liquefied Natural Gas (LNG) from LNG carriers that routinely cross the world's oceans and deliver this product to LNG facilities in North America, Asia and Europe. Through the use of heat exchangers on Cabrillo Port, the LNG would revert back to natural gas for delivery into the existing natural gas pipelines of the Southern California Gas Company.

Preparation of the EIS/EIR is being conducted in accordance with the National Environmental Policy Act (NEPA) of 1969 (Section 102[2][c]) and its implementing regulations, 40 Code of Federal Regulations, Part 1500 and CEQA. The EIS/EIR will address the overall environmental impacts of establishing and operating the Port, including the construction of associated pipelines from the Port to an onshore receiving pipeline system.

In accordance with Section 7 of the Endangered Species Act and the Marine Mammals Protection Act, as amended, our EIS/EIR will analyze the impacts of the Proposed Action on protected species. In order to fully assess the potential impacts associated with the Proposed Action on protected resources, we are requesting a list of species of concern that occur within the region of influence (ROI) and a list of any additional concerns that NOAA Fisheries may have regarding the potential impacts of the Proposed Action on federally listed species or other

APR 27 2004

Subj: ENVIRONMENTAL IMPACT STATEMENT/ENVIRONMENTAL IMPACT REPORT
– CABRILLO DEEPWATER PORT PROJECT

protected species such as marine mammals. We will also consult with the U.S. Fish and Wildlife Service and California Department of Fish and Game regarding the presence of threatened and endangered species under their jurisdiction.

Presently, we do not believe that the Proposed Action would have an adverse impact on essential fish habitat (EFH). As such, and in accordance with Section 305(b) of the Magnuson-Stevens Act, as amended, we do not believe an EFH consultation is required at this time. As stated above, we are currently preparing an EIS/EIR, and we intend to fully assess the potential impacts associated with the Proposed Action on EFH within the region of influence (ROI). Your concerns and comments regarding the construction and operation of the Port and its possible impacts on EFH are important to the USCG.

We look forward to working with your office on this project. Please send any comments/correspondence to the USCG through one of the following methods:

- (1) By mail to:
Headquarters, U.S. Coast Guard
Mr. Mark Prescott
Chief, Office of Deepwater Ports Standards (G-MSO-5)
Room 1210
2100 Second Street, SW
Washington, DC 20593
- (2) Or, by fax at (202) 267-4570
- (3) Or by E-mail to mprescott@comdt.uscg.mil

Thank you for your assistance. If you have questions about the proposed establishment of the Cabrillo Deepwater Port Project or about the EIS/EIR please contact me at (202) 267-0225.

Sincerely,



MARK PRESCOTT
Chief, Office of Deepwater Ports Standards Division
By direction



16613

MAY 5 2004

Ms. Diane Noda
Field Supervisor, U.S. Fish and Wildlife Service
Ventura Fish and Wildlife Office
2493 Portola Road, Suite B
Ventura, CA 93003

**Subject: ENVIRONMENTAL IMPACT STATEMENT/ENVIRONMENTAL IMPACT
REPORT – CABRILLO DEEPWATER PORT PROJECT**

Dear Ms. Noda:

On September 3, 2003, BHP Billiton LNG International, Inc. submitted an application seeking to own, construct and operate a deepwater port (DWP). The proposed port, known as Cabrillo Port, would be located approximately 14 miles offshore of Ventura County, California. The applicant will soon be providing you a copy of the application to ensure that your staff has the latest information available for your agency's review.

The U.S. Coast Guard (USCG), in conjunction with the California State Lands Commission (CSLC), is preparing an Environmental Impact Statement (EIS)/Environmental Impact Report (EIR) for the construction and operation of the Cabrillo Deepwater Port Project (Port), a Floating, Storage, and Regasification Unit (FSRU). This deepwater port would be the receiving point for shipments of Liquefied Natural Gas (LNG) from LNG carriers that routinely cross the world's oceans and deliver this product to LNG facilities in North America, Asia and Europe. Through the use of heat exchangers on Cabrillo Port, the LNG would revert back to natural gas for delivery into the existing natural gas pipelines of the Southern California Gas Company.

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In accordance with Section 7 of the Endangered Species Act, as amended, our EIS/EIR will analyze the impacts of the Proposed Action on protected species. In order to fully assess the potential impacts associated with the Proposed Action on protected resources, we are requesting a list of species of concern that occur within the region of influence (ROI) and a list of any additional concerns that USFWS may have regarding the potential impacts of the Proposed Action on federally listed species.

Subj: ENVIRONMENTAL IMPACT STATEMENT/ENVIRONMENTAL IMPACT REPORT
– CABRILLO DEEPWATER PORT PROJECT

We will also consult with NOAA Fisheries regarding the presence of threatened and endangered species and other protected species such as marine mammals under their jurisdiction and essential fish habitat within the ROI.

We look forward to working with your office on this project. Please send any comments/correspondence to the USCG through one of the following methods:

- (1) By mail to:
Commandant (G-MSO-5)
Attn: Mr. Mark Prescott
U.S. Coast Guard Headquarters
2100 Second Street, SW
Washington, DC 20593
- (2) Or, by fax at (202) 267-4570
- (3) Or by E-mail to mprescott@comdt.uscg.mil

Thank you for your assistance. If you have questions about the proposed establishment of the Cabrillo Deepwater Port Project or about the EIS/EIR please contact me at (202) 267-0225.

Sincerely,



MARK PRESCOTT
Chief, Office of Deepwater Ports Standards Division
By direction



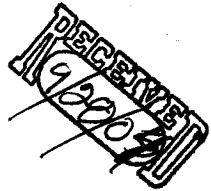
United States Department of State

*Bureau of Oceans and International
Environmental and Scientific Affairs*

Washington, D.C. 20520

September 3, 2004

Rear Admiral Thomas H. Gilmour
Commandant (G-M)
U.S. Coast Guard
2100 2nd Street, S.W.
Washington, DC 20593



Dear Admiral Gilmour:

This letter serves as the State Department's response to the Coast Guard's letter of February 13, 2004 regarding the application of BHP Billiton LNG International, Inc. (BHP Billiton) for a license to establish a new offshore liquefied natural gas (LNG) importation terminal 13.9 miles off the coast of Ventura County, Southern California (to be known as Cabrillo Port). This letter also serves to fulfill the State Department's requirements under Section 106(e)(1) of the Maritime Transportation Security Act of 2002 (PL 107-295), which requires the Department of State to transmit to the Department of Transportation written comments as to the expertise or jurisdiction of the Department of State concerning the construction or operation of deepwater ports for natural gas pursuant to the Deepwater Port Act of 1974 (33 U.S.C. 1501 et seq.) (DWPA). The Coast Guard and the U.S. Maritime Administration (MARAD) are the lead agencies acting on behalf of the Department of Homeland Security and Department of Transportation, respectively. A substantively identical response is being sent to MARAD.

BHP Billiton proposes to establish a deepwater port 13.9 miles off the coast of southern California in 2,900 feet of water, in the U.S. Exclusive Economic Zone (EEZ). The facility will consist of a floating storage and regasification unit (FSRU) connected to two new parallel subsea send out pipelines that will tie into an existing onshore natural gas transmission pipeline system, which will be expanded to accommodate the additional supply. The FSRU, which will have the capability of regasifying up to 1.5 billion cubic feet per day, is a 286 meter x 65 meter, ship-shaped double-sided, double-bottom LNG storage and regasification vessel that will be moored to the sea bed by a fixed, turret-style mooring point with nine cables and

associated ocean floor anchor points. After reviewing the application of September 3, 2003 (as revised with Supplemental materials in December 2003, February 2004, and June 2004), and subject to the comments below, the Department of State concludes that the application is adequate, and that the issuance of a license pursuant to 33 U.S.C. 1503 will have no adverse effect on programs within the jurisdiction of the Department of State. Our specific comments follow.

The DWPA at 33 U.S.C. 1505(a) requires the Department of Transportation to consult with the Department of State regarding the environmental review criteria established at Appendix A to 33 CFR Part 148 for aspects over which the Department of State has jurisdiction. The Department of State serves as the primary Executive Branch coordinator for and determines U.S. foreign policy regarding several of the criteria listed in the DWPA, including but not limited to effects on the marine environment, effects on alternate uses of the oceans, such as scientific study, fishing and exploitation of other living and non-living resources, effects of land-based developments related to deepwater port development and effects on human health and welfare.

We find the environmental review criteria for deepwater ports in Appendix A of 33 CFR 148 to be adequate. Further, after review of the BHP Billiton license application, the Department of State determines that granting the license will not have significant adverse effects regarding United States foreign policy with regard to the criteria described above, to include global and regional fisheries agreements, international agreements for the prevention of marine pollution and international agreements regarding oceanographic research and study.

The DWPA at 33 U.S.C. 1509(d)(1) requires the Secretary of Transportation to designate, after consultation with the Secretary of State, among others, a zone of appropriate size around any deepwater port for navigation safety, and in accordance with recognized principles of international law. Accordingly, such zones are governed by three principal sources: the United Nations Convention on the Law of the Sea, 1982 (UNCLOS), specifically Articles 22, 60 and 211; the International Convention on the Safety of Life at Sea, 1974 (SOLAS), Annex, Chapter 5, primarily Regulation V/10; and the General Provisions on Ship's Routeing, adopted by the International Maritime Organization (IMO) pursuant to Assembly Resolution A.572(14), as amended. The Department of State, as the lead agency for policy matters involving UNCLOS, and as the coordinator for matters involving the IMO, has specific expertise and jurisdiction in these matters. Any ship's routeing measure established outside the U.S. territorial sea requires approval and adoption by the IMO, through its Safety of Navigation Subcommittee and its Maritime Safety Committee.

The DWPA at 33 U.S.C. 1518(a)(3) requires the Secretary of State to notify the government of each foreign state having vessels under its authority or flying its flag that may call at a deepwater port, that the United States intends to exercise jurisdiction over such vessels. The notification must indicate that, absent the foreign State's objection, its vessels will be subject to U.S. jurisdiction whenever calling at the deepwater port or within an established safety zone (not greater than 500 meters) and using or interfering with the use of the deepwater port. Further, Section 1518(c)(2) states that entry by a vessel into the deepwater port is prohibited unless a bilateral agreement between the flag State of the vessel and the United States is in force, or if the flag State does not object to the exercise of U.S. jurisdiction.

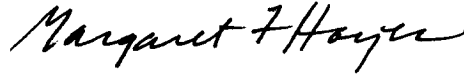
However, Title 33 U.S.C. Section 1518 precedes the entry into force of UNCLOS Article 60, which grants coastal States the exclusive right to construct, authorize and regulate installations and structures in its EEZ, including deepwater ports. It also precedes the designation of the EEZ of the United States, which grants us certain rights and jurisdiction under customary international law, as stated in UNCLOS Part V. While Article 60(7) indicates that a deepwater port does not have the status of an island, has no territorial sea of its own, and its presence does not affect the delimitation of the territorial sea, the EEZ or the continental shelf, the Government of the United States interprets UNCLOS Article 12 to mean that any roadstead located outside the territorial sea and used for the loading or unloading of ships is included in the territorial sea.

Thus, any ship calling at a deepwater port in our EEZ would be subject to U.S. jurisdiction as if it were in the territorial sea. As the proposed Cabrillo Port would be in the EEZ of the United States, this principle would apply. Any ship flying the flag of a party to UNCLOS would be subject to Articles 12 and 60 and would be bound to the same jurisdictional principles of 33 U.S.C. Section 1518, thus obviating the need for further bilateral agreements. However, if a ship flying the flag of a non-party to UNCLOS (Liberia, for example) were to call at the deepwater port, the State Department would only object to such calls if the non-party flag State had filed an objection to our assertion of jurisdiction.

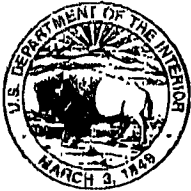
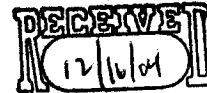
Pursuant to the DWPA at 33 U.S.C. 1521, upon approval of the license to construct this deepwater port, the State Department will notify the governments of Mexico and Canada of such action, and will invite bilateral or multilateral discussions with them on the subject of natural gas deepwater ports, should either country desire.

In conclusion, the State Department has no objection to granting a license for the ownership, construction and operation of the Cabrillo Port deepwater port. If you have questions or need further information, my point of contact is Clay Diamond in the Office of Oceans Affairs. He can be reached at (202) 647-3946 or e-mail at diamondcl@state.gov.

Sincerely,

A handwritten signature in cursive script that reads "Margaret F. Hayes".

Margaret F. Hayes
Deputy Assistant Secretary
For Oceans and Fisheries, Acting



United States Department of the Interior

FISH AND WILDLIFE SERVICE
Ventura Fish and Wildlife Office
2493 Portola Road, Suite B
Ventura, California 93003



IN REPLY REFER TO:
PAS 1603.1897.2446

December 15, 2004

Mark Prescott
Chief, Office of Deepwater Ports Standards Division
U.S. Coast Guard Headquarters
2100 Second Street, SW
Washington, DC 20593

Subject: Species List for Cabrillo Deepwater Port Project, Ventura and Los Angeles
Counties, California

Dear Mr. Prescott:

We are responding to your request dated [REDACTED] and received in our office on May 11, 2004, for information on listed and proposed threatened or endangered species which may be present in the subject project areas. The U.S. Coast Guard (Guard), in conjunction with the California State Lands Commission, is preparing a joint EIS/EIR for the construction and operation of the Cabrillo Deepwater Port Project; a floating storage, and regasification unit. This deepwater port would be the receiving point for shipments of Liquefied Natural Gas (LNG). Through the use of heat exchangers on Cabrillo Port, the LNG would revert back to natural gas for delivery into existing natural gas pipelines of the Southern California Gas Company.

The enclosed list of species fulfills the requirements of the U.S. Fish and Wildlife Service (Service) under section 7(c) of the Endangered Species Act of 1973, as amended (Act). The Guard, as the lead Federal agency for the project, has the responsibility to review its proposed activities and determine whether any listed species may be affected. Because the project is a construction project¹ which requires an environmental impact statement, the Guard has the responsibility to prepare a biological assessment to make a determination of the effects of the action on the listed species or critical habitat. If the Guard determines that a listed species or critical habitat is likely to be adversely affected, it should request, in writing through our office, formal consultation pursuant to section 7 of the Act. Informal consultation may be used to exchange information and resolve conflicts with respect to threatened or endangered species or their critical habitat prior to a written request for formal consultation. During this review process, the Guard may engage in planning efforts but may not make any irreversible commitment of resources. Such a commitment could constitute a violation of section 7(d) of the Act.

¹ "Construction project" means any major Federal action which significantly affects the quality of the human environment designed primarily to result in the building of structures such as dams, buildings, roads, pipelines, and channels. This includes Federal actions such as permits, grants, licenses, or other forms of Federal authorizations or approval which may result in construction.

Mark Prescott

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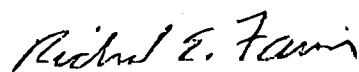
Federal agencies are required to confer with the Service, pursuant to section 7(a)(4) of the Act, when an agency action is likely to jeopardize the continued existence of any proposed species or result in the destruction or adverse modification of proposed critical habitat (50 CFR 402.10(a)). A request for formal conference must be in writing and should include the same information that would be provided for a request for formal consultation. Conferences can also include discussions between the Service and the Federal agency to identify and resolve potential conflicts between an action and proposed species or proposed critical habitat early in the decision-making process. The Service recommends ways to minimize or avoid adverse effects of the action. These recommendations are advisory because the jeopardy prohibition of section 7(a)(2) of the Act does not apply until the species is listed or the proposed critical habitat is designated. The conference process fulfills the need to inform Federal agencies of possible steps that an agency might take at an early stage to adjust its actions to avoid jeopardizing a proposed species or destroying or adversely modifying critical habitat.

When a proposed species or proposed critical habitat may be affected by an action, the lead Federal agency may elect to enter into formal conference with the Service even if the action is not likely to jeopardize or result in the destruction or adverse modification of proposed critical habitat. If the proposed species is listed or the proposed critical habitat is designated after completion of the conference, the Federal agency may ask the Service, in writing, to confirm the conference as a formal consultation. If the Service reviews the proposed action and finds that no significant changes in the action as planned or in the information used during the conference have occurred, the Service will confirm the conference as a formal consultation on the project and no further section 7 consultation will be necessary. Use of the formal conference process in this manner can prevent delays in the event the proposed species is listed or the proposed critical habitat is designated during project development or implementation.

Candidate species are those species presently under review by the Service for consideration for Federal listing. Candidate species should be considered in the planning process because they may become listed or proposed for listing prior to project completion. Preparation of a biological assessment, as described in section 7(c) of the Act, is not required for candidate species. If early evaluation of your project indicates that it is likely to affect a candidate species, you may wish to request technical assistance from this office.

Only listed species receive protection under the Act; however, sensitive species should be considered in the planning process in the event they become listed or proposed for listing prior to project completion. If you have any questions, please contact Eric Morrisette of my staff at (805) 644-1766.

Sincerely,



Rick Farris
Division Chief
Santa Barbara/Ventura/Los Angeles

Enclosure

**LISTED, CANDIDATE, AND PROPOSED SPECIES WHICH MAY OCCUR WITHIN
THE CABRILLO DEEPWATER PORT PROJECT AREA, VENTURA
AND LOS ANGELES COUNTIES, CALIFORNIA**

Birds

Southwestern willow flycatcher	<i>Empidonax traillii extimus</i>	E
Least Bell's vireo	<i>Vireo bellii pusillus</i>	E, CH
Western snowy plover	<i>Charadrius alexandrinus nivosus</i>	T, PCH
Brown pelican	<i>Pelecanus occidentalis</i>	E
Coastal California gnatcatcher	<i>Polioptila californica californica</i>	T, PCH
California least tern	<i>Sterna antillarum browni</i>	E
Western yellow-billed cuckoo	<i>Coccyzus americanus occidentalis</i>	C

Amphibians

Arroyo toad	<i>Bufo californicus</i>	E
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Fish

Unarmored threespine stickleback	<i>Gasterosteus aculeatus williamsoni</i>	E
Tidewater goby	<i>Eucyclogobius newberryi</i>	E
Southern steelhead	<i>Oncorhynchus mykiss irideus</i>	E*

Plants

Salt marsh bird's-beak	<i>Cordylanthus maritimus ssp. maritimus</i>	E
Slender-horned spineflower	<i>Dodecahema leptoceras</i>	E
San Fernando Valley spineflower	<i>Chorizanthe parryi var. fernandina</i>	C
Ventura marsh milk-vetch	<i>Astragalus pycnostachyus var. lanosissimus</i>	E

Key:

E - Endangered

T - Threatened

CH - Critical habitat

PCH - Proposed Critical Habitat

C - Candidate species for which the Fish and Wildlife Service has on file sufficient information on the biological vulnerability and threats to support proposals to list as endangered or threatened.

* Species for which the National Marine Fisheries Service has responsibility. For more information, call the Santa Rosa Field Office at (707) 575-6050 or go to <http://swr.ucsd.edu/>

U.S. FISH AND WILDLIFE SERVICE
VENTURA FISH AND WILDLIFE OFFICE
2493 PORTOLA ROAD, SUITE B
VENTURA, CALIFORNIA 93003
PHONE: (805) 644-1766

FAX: (805) 644-3958



DATE: December 15, 2004

TO: Louise Fynn

Fax: (202) 267-4570

From: Eric Morrissette

Subject: Species List for Cabrillo Deepwater Port Project, Ventura and
Los Angeles Counties, California

PAGES INCLUDING COVER SHEET: 4



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL OCEAN SERVICE
Silver Spring, Maryland 20910

DEC 20 2004

Lieutenant Ken Kusano
U. S. Coast Guard
Office of Operating and
Environmental Standards (G-MSO-2)
2100 Second Street, SW
Washington, DC 20593-0001

Dear Lt. Kusano:

Thank you for providing the National Oceanic and Atmospheric Administration (NOAA) the opportunity to comment on the draft Environmental Impact Statement/Environmental Impact Report (DEIS/EIR) for the Cabrillo Port Deepwater Port, dated October 2004. NOAA's National Marine Sanctuary Program (NMSP) has reviewed the DEIS/EIR because the proposed action is likely to affect resources of the Channel Islands National Marine Sanctuary (CINMS).

Designated by NOAA in September 1980, the CINMS is approximately 1,253 square nautical miles in area, encompassing the waters surrounding San Miguel, Santa Rosa, Santa Cruz, Anacapa, and Santa Barbara Islands about 25 miles off the coast of Santa Barbara, California. A fertile combination of warm and cool currents results in a great variety of plants and animals, including: large nearshore forests of giant kelp, flourishing populations of fish and invertebrates, and abundant and diverse populations of cetaceans, pinnipeds, and marine birds.

Requirements of the National Marine Sanctuaries Act

The National Marine Sanctuaries Act (16 U.S.C. §§ 1431-1445c; NMSA) prohibits the destruction, loss of, or injury to any sanctuary resource managed under law or regulations for the sanctuary in question and any violation of the Act, any regulations, or permits issued thereunder (16 U.S.C. § 1436). NOAA's administration of the marine sanctuary program involves designating marine sanctuaries and adopting regulations to protect the conservation, recreational, ecological, historical, scientific, educational, cultural, archeological, and aesthetic values of these areas. In addition, section 304(d) of the NMSA requires federal agencies to consult with the Secretary of Commerce (delegated to the NMSP) on federal agency actions internal or external to a national marine sanctuary, including private activities authorized by licenses, leases, or permits, that are likely to destroy, cause the loss of, or injure any sanctuary resource (16 U.S.C. § 1434(d)).

The NMSP has determined that the proposed action triggers this requirement. Pursuant to the NMSA, the NMSP may recommend reasonable and prudent alternatives which can be taken by a federal agency to protect sanctuary resources. Please note that if a federal agency does not follow a recommended alternative and such action results in the destruction of, loss of, or injury to a sanctuary resource, the agency must promptly prevent and mitigate further damage and restore or replace the sanctuary resource in a manner approved by the NMSP (16 U.S.C. §



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1434(d)(4)). Consequently, comments are provided concerning the DEIS/EIR and separate reasonable and prudent alternatives to protect sanctuary resources are offered pursuant to section 304(d) of the NMSA.

Comments on the DEIS/EIR

1. The NMSP is concerned that vessels associated with the Cabrillo Port deepwater facility may lose power or become distressed while operating near the CINMS. Therefore, NOAA recommends that the DEIS/EIR include specific details of emergency procedures for avoiding harm to sanctuary resources that could result from vessels in distress. Measures that might be discussed include the location of tug services and their ability to respond in a timely fashion with the proper equipment to aid a vessel.
2. The DEIS/EIR should be revised to clarify where vessels transiting the traffic separation scheme (TSS) will exit during the construction phase of the project. The NMSP is concerned that once outside the TSS, vessels will come in close proximity to the CINMS, which would increase the likelihood that sensitive marine resources may be injured.
3. The NMSP is also concerned about the increase in vessel traffic from the proposed project and the other industrial projects planned in the region. The DEIS/EIR should include a discussion of mitigation to reduce the expected increase in noise from the shipping traffic.
4. As noted in the DEIS/EIR, there is the potential for disturbance to federal and state protected avifauna that depend on the CINMS for breeding, roosting and foraging (e.g., brown pelicans and Xantu's murrelets). Currently, the DEIS/EIR calls for development of a plan to address these concerns regarding avifauna sometime in the future, but offers no specific measures in the document. These measures should be included in the DEIS/EIR. Furthermore, the biological data concerning Xantu's murrelets in the DEIS/EIR should be updated. There is breeding occurring on Anacapa Island, the closest island to the proposed project location, as well as on Santa Barbara Island.
5. With regard to ballast water, the DEIS indicates that ballast water can be exchanged beyond the Exclusive Economic Zone. The DEIS/EIR should also consider alternative techniques that mechanically, physically, chemically or biologically kill or remove the unwanted invasive species. Alternatives include: 1) heat in-transit practices, 2) ultra violet treatment, 3) filtration, 4) ozonation, and 5) deoxygenation.

Recommendations pursuant to section 304(d)(2) of the NMSA


1. The USCG should develop a formal plan in consultation with the resource management agencies in the region, including CINMS, NOAA Fisheries, Channel Islands National Park, and the U.S. Fish and Wildlife Service to address and mitigate impacts (e.g., facility and shipping noise) from all phases of the project. This plan should include designating emergency anchorages.

- 3 -

2. The USCG should expand the Vessel Traffic Services (VTS) to include the deepwater port and vessels in the eastern Santa Barbara Channel region in addition to the proposed mitigation measures (i.e., Automatic Identification Systems transponders, radar, VHF). VTS offers another safety net and helps with monitoring the expected increase in traffic by logging and quantify ship traffic.
3. The USCG should ensure that the plan to minimize impacts on seabirds includes light shielding, minimum wattages, avoidance of roosting and nesting areas, and amended operations during sensitive breeding and feeding seasons.
4. The USCG should develop a comprehensive and coordinated proactive strategy to prevent the spread of marine invasive species. Appropriate management strategies to prevent and control the introduction of marine invasives from the operation of the LNG terminal and LNG carriers need to be detailed. The plan should be reviewed and approved by the CINMS manager prior to facility construction.

If you have any questions regarding our comments and recommendations, please contact CINMS manager Christopher Mobley at (805) 966-7107.

Sincerely,



Daniel J. Barta
Director
National Marine Sanctuary Program



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
PROGRAM PLANNING AND INTEGRATION
Silver Spring, Maryland 20910

Lieutenant Ken Kusano
U. S. Coast Guard
Office of Operating and
Environmental Standards (G-MSO-2)
2100 Second Street, SW
Washington, DC 20593-0001

DEC 20 2004

USCG-2004-16877-712

Dear Lt. Kusano:

This letter forwards the National Oceanic and Atmospheric Administration's (NOAA) comments on the draft Environmental Impact Statement/Environmental Impact Report (DEIS/EIR) for the Cabrillo Port Deepwater Port, dated October, 2004. The applicant proposes to construct and operate an offshore floating storage and regasification unit that would be moored in Federal waters offshore of Ventura County, California. As proposed, liquefied natural gas (LNG) would be delivered by LNG carriers, offloaded at the floating unit, and delivered onshore at Ormond Beach by two natural gas pipelines laid on the ocean floor.

The Secretary of Commerce has been authorized by Congress to manage, protect, and conserve multiple marine resources that may exist in the project area. These authorities, under NOAA's National Marine Fisheries Service (NMFS), include the Magnuson-Stevens Fishery Conservation and Management Act (MSA), Fish and Wildlife Coordination Act (FWCA), Endangered Species Act (ESA), and the Marine Mammal Protection Act (MMPA). While under NOAA's National Ocean Service (NOS), authorities include the National Marine Sanctuaries Act (NMSA), specifically the Channel Islands National Marine Sanctuary (CINMS), and the Coastal Zone Management Act (CZMA). Additionally, NMFS and NOS have provided comments under the National Environmental Policy Act (NEPA) on issues falling within the agency's jurisdiction. The enclosed comments and recommendations are intended to further the consultation process and ensure a full analysis is conducted under NEPA.

If you have any questions regarding MSA or FWCA comments, please contact David MacDuffee, NMFS, at 301-713-4300, extension 155. For questions related to ESA or MMPA, please contact Monica DeAngelis at 562-980-3232. For NOS areas of responsibility, please contact CINMS manager Christopher Mobley at (805) 966-7107 and for CZMA requirements David Kaiser (301) 713-3155 x144.

Sincerely,

Susan A. Kennedy
Acting NEPA Coordinator

Enclosures (1) NOS/ORCM (CZM)
(2) NMFS
(3) NOS/NMS



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ENCLOSURE 1**National Ocean Service/Office of Coastal and Resource Management CZMA Comments
Draft Environmental Impact Statement/Environmental Impact Report (DEIS/EIR)
Cabrillo Port Liquefied Natural Gas Deepwater Port (October, 2004)**

NEPA documents need to describe the various federal statutes applicable to the federal action. One of the applicable statutes for Cabrillo Port is the federal Coastal Zone Management Act (CZMA). The Cabrillo Port DEIS is not clear regarding CZMA requirements. DEIS section 4.13.2.1 recognizes CZMA requirements and generally discusses the CZMA and, at 4.13.2.2, describes several articles of the California Coastal Act. One of the CZMA requirements is that the Coast Guard cannot issue the Deepwater port license until the CZMA process is complete. Therefore, as part of the CZMA discussion in the DEIS, the DEIS should at least clarify the status of the CZMA process. The DEIS at 4.13.2.2, states that the project "will require submittal of a consistency certification pursuant to [the CZMA]." However, it is not clear whether the applicant has already provided a CZMA consistency certification to the California Coastal Commission, whether the DEIS is meant to contain the applicant's consistency certification and necessary data and information, or whether the applicant will provide the consistency certification and necessary data and information to the state at a later date. If the DEIS is meant to initiate the CZMA consistency process, NOAA could not find in the DEIS the consistency certification required by 15 C.F.R. § 930.57. As indicated by the CZMA appeal decision concerning Collier Resources Company, this certification must be received by the California Coastal Commission before the six-month CZMA review process can begin. As to whether the DEIS contains the "necessary data and information" required by 15 C.F.R. §§ 930.58 and 930.60, the California Coastal Commission must make that determination.



UNITED STATES DEPARTMENT OF COMMERCE
National Oceanic and Atmospheric Administration
NATIONAL MARINE FISHERIES SERVICE
Silver Spring, MD 20910

Lieutenant Ken Kusano
U. S. Coast Guard
Office of Operating and
Environmental Standards (G-MSO-2)
2100 Second Street, SW
Washington, DC 20593-0001

DEC 20 2004

Dear Lt. Kusano:

Thank you for providing the National Oceanic and Atmospheric Administration's (NOAA) National Marine Fisheries Service (NMFS) the opportunity to comment on the draft Environmental Impact Statement/Environmental Impact Report (DEIS/EIR) for the Cabrillo Port Liquefied Natural Gas (LNG) Deepwater Port, dated October, 2004 (docket number USCG-2004-16877). The applicant, BHP Billiton, proposes to construct and operate an offshore floating storage and regasification unit that would be moored offshore of Ventura County, California. As proposed, liquefied natural gas (LNG) would be delivered by LNG carriers, offloaded at the floating unit, and delivered onshore at Ormond Beach by two natural gas pipelines laid on the ocean floor.

The Secretary of Commerce has been authorized by Congress to manage, protect, and conserve multiple marine resources that may exist within the project area. These authorities are specifically found in the Magnuson-Stevens Fishery Conservation and Management Act (MSA), Fish and Wildlife Coordination Act (FWCA), Endangered Species Act (ESA), and Marine Mammal Protection Act (MMPA). In addition, NMFS also provides comments under the National Environmental Policy Act (NEPA) on issues falling within the agency's jurisdiction. The enclosed comments and recommendations are intended to further the consultation processes of the ESA, satisfy NMFS' responsibility under the MSA, ensure a full analysis is conducted under NEPA, and identify specific issues that should be considered under the MMPA.

If you have any questions on MSA or FWCA issues, please contact David MacDuffee at 301-713-4300, extension 155. For questions related to the ESA or MMPA, please contact Monica DeAngelis at 562-980-3232.

Sincerely,

for

Rolland A. Schmitten
Director, Office of Habitat
Conservation

Enclosure



Printed on Recycled Paper



**ENCLOSURE – NMFS Comments and Recommendations
Draft Environmental Impact Statement/Environmental Impact Report (DEIS/EIR):
Cabrillo Port Liquefied Natural Gas Deepwater Port (October, 2004)**

This document contains the National Oceanic and Atmospheric Administration's (NOAA) National Marine Fisheries Service's (NMFS) comments and recommendations on the Cabrillo Port Liquefied Natural Gas (LNG) Deepwater Port DEIS/EIR. These comments are provided under the National Environmental Policy Act (NEPA) and NMFS' authorities, specifically the Magnuson-Stevens Fishery Conservation and Management Act (MSA), Fish and Wildlife Coordination Act (FWCA), Endangered Species Act (ESA), and Marine Mammal Protection Act (MMPA).

The applicant is proposing to construct and operate a floating storage and regasification unit (FSRU) in southern California about 12.2 nautical miles offshore of Ventura and Los Angeles Counties in Federal waters approximately 2,900 feet deep. The LNG would be delivered by ship carriers, offloaded at the FSRU, and regasified using a process without seawater. Two parallel 24-inch diameter subsea gas transmission pipelines would deliver the natural gas from the FSRU to a shoreside connection at Ormond Beach. The twin pipelines would be laid approximately 100 feet apart and a 200-foot wide right-of-way would be established permanently in the offshore areas. NMFS' trust resources may be affected by this project.

Magnuson-Stevens Fishery Conservation and Management Act

Background

Pursuant to section 305(b)(2) of the MSA, Federal agencies are required to consult with the Secretary of Commerce (delegated to NMFS) with respect to "any action authorized, funded, or undertaken, or proposed to be authorized, funded, or undertaken, by such agency that may adversely affect any essential fish habitat identified under this Act." Adverse effects to essential fish habitat (EFH) are defined as "any impact that reduces the quality and/or quantity of EFH," and may include "site-specific or habitat-wide impacts, including individual, cumulative, or synergistic consequences of the action." 50 C.F.R. 600.810(a). In addition, the MSA also provides that the Secretary of Commerce "shall coordinate with and provide information to other Federal agencies to further the conservation and enhancement of essential fish habitat." 16 U.S.C. § 1855(b)(1)(D).

As noted in the DEIS/EIR, the project area has been described and identified as EFH for multiple fish species managed under the Pacific Groundfish Fishery Management Plan (FMP), the Highly Migratory Species FMP, and the Coastal Pelagic Species FMP. The DEIS/EIR indicates that the project area is void of natural hard-bottom substrates and there are no known kelp beds within the proposed area. These habitats benefit early life stage, juvenile, and adult fish by providing shelter from predators and a source of food. However, section 4.7.4 of the DEIS/EIR identifies several activities that may adversely affect EFH. These activities include: 1) the release of drilling muds and bentonites into the subtidal environment during horizontal directional drilling (HDD), resulting in avoidance of the area by fish due to increased turbidity; 2) oil or fuel spills occurring during construction or LNG spills, resulting in morbidity or mortality to marine fish

and invertebrates; 3) discharges of bilge water, graywater, and deck runoff from the FSRU, resulting in morbidity or mortality to fish and benthic invertebrates from the release of contaminants; and 4) release of ballast water containing non-indigenous species, resulting in the introduction of invasive species and a potential effect on the sustainability of native species. Based on the information provided in the DEIS/EIR, which also serves as the EFH Assessment, NMFS has determined that this Federal action would adversely affect EFH. Therefore, NMFS provides the following EFH Conservation Recommendations in accordance with section 305(b)(4)(A) of the MSA.

EFH Conservation Recommendations

1. NMFS recommends that the applicant prepare a HDD contingency plan to avoid the release of drilling muds and cuttings into the marine environment during construction. NMFS is willing to work with the applicant and Coast Guard during the development of this plan. The plan should be implemented prior to any construction activity.
2. NMFS recommends that the applicant develop a spill prevention plan to ensure that oil, fuel, and LNG spills during construction or operation are not accidentally released into the marine environment. The plan should also address a training program that will enable workers to recognize and respond to spills. NMFS is willing to work with the applicant and Coast Guard during the development of this plan. The plan should be implemented prior to any construction activity.
3. NMFS recommends that the applicant treat graywater and sewage in approved sanitary waste systems pursuant to National Pollutant Discharge Elimination System (NPDES) requirements before discharge. NMFS also recommends that deck runoff be treated appropriately. NMFS is willing to work with the applicant and Coast Guard during the development of this plan. The plan should be implemented prior to any construction activity.
4. NMFS concurs with Coast Guard's recommendation that the applicant conduct all ballast water discharges from the FSRU and LNG tankers in compliance with all applicable State and Federal regulations.

Please note that Section 305(b)(4)(B) of the MSA requires the Coast Guard to provide NMFS with a detailed written response to these EFH Conservation Recommendations, including a description of measures adopted by the Coast Guard for avoiding, mitigating, or offsetting the impact of the project on EFH. Should the Coast Guard adopt any of these Conservation Recommendations, NMFS suggests they be incorporated for evaluation in the Final Environmental Impact Statement and/or included as a license condition in the event the Coast Guard approves the Cabrillo Port LNG facility.

In the case of a response that is inconsistent with NMFS' recommendations, Section 305(b)(4)(B) of the MSA also indicates that the Coast Guard must explain its reasons for not following the recommendations. Included in such reasoning would be the scientific justification for any disagreements with NMFS over the anticipated effects of the proposed action and the

measures needed to avoid, minimize, mitigate, or offset such effects pursuant to 50 CFR 600.920(k).

Please also note that a distinct and further EFH consultation must be reinitiated pursuant to 50 CFR 600.920(l) if new information becomes available or the project is revised in such a manner that affects the basis for the above EFH Conservation Recommendations.

Fish and Wildlife Coordination Act

Background

The FWCA establishes a consultation requirement for Federal agencies proposing actions that may modify, impound, divert, or otherwise control or modify any body of water. See 16 U.S.C. 662. Federal agencies must consult for the purpose of preventing loss of and damage to fish and wildlife resources. Added provisions require equal consideration and coordination of wildlife conservation with other water resource development programs. The FWCA also authorizes collection of fisheries data and coordination with other agencies for environmental decisions affecting living marine resources. Through Reorganization Plan No. 4 of 1970, Department of the Interior, Bureau of Commercial Fisheries responsibilities were transferred to the Secretary of Commerce (NMFS).

According to the DEIS/EIR, construction activities could alter sensitive habitats, such as beach spawning areas or hardbottom substrates. NMFS agrees with the Coast Guard's conclusion that impacts to these habitats would be significant if not avoided because they may reduce fish reproduction and potentially eliminate prey species (DEIS/EIR section 4.7.4). To avoid these potential impacts, NMFS recommends:

Recommendations

1. Should intertidal beach work occur between February and September, NMFS recommends that a Grunion Protection Plan be developed that identifies what conservation measures will be undertaken to ensure that impacts on grunion spawning events, including the hatching of grunion eggs, are avoided and minimized. NMFS is willing to work with the applicant and Coast Guard during the development of this plan. The plan should be implemented prior to any construction activity.
2. In the event that hard bottom habitats are encountered during pipe laying construction, NMFS recommends that the applicant avoid these areas by diverting the pipe around the habitat.

Endangered Species Act and Marine Mammal Protection Act

Background

Section 7 of the Endangered Species Act (ESA) (16 U.S.C. § 1536(a)(2)) requires Federal agencies to consult with the Secretary of Commerce (delegated to NMFS) to insure that "any action authorized, funded, or carried out by such agency . . . is not likely to jeopardize the

continued existence of any endangered species or threatened species" See also 50 C.F.R. part 400. Pursuant to the joint NMFS and U.S. Fish and Wildlife Service (FWS) regulations, if the Cabrillo Port LNG terminal may affect a listed species or designated critical habitat, the Coast Guard must initiate consultation with NMFS and/or the FWS pursuant to section 7 of the ESA. See 50 C.F.R. § 402.14.

In addition, marine mammals are protected under the Marine Mammal Protection Act (MMPA). See 16 U.S.C. § 1361 *et. seq.* Under the MMPA, it is illegal to "take" a marine mammal without prior authorization from NMFS. "Take" is defined as harassing, hunting, capturing, or killing, or attempting to harass, hunt, capture, or kill any marine mammal. "Harassment" is defined as any act of pursuit, torment, or annoyance which has the potential to injure a marine mammal in the wild, or has the potential to disturb a marine mammal in the wild by causing disruption of behavioral patterns, including, but not limited to, migration, breathing, nursing, breeding, feeding, or sheltering.

Under section 101(a)(5)(A) and (D) of the MMPA, the Secretary of Commerce (delegated to NMFS) may, upon request, issue authorizations for the take of small numbers of marine mammals incidental to otherwise lawful activities, provided that the takings would have no more than a negligible impact on those marine mammal species and would not have an unmitigable adverse impact on the availability of those species for subsistence uses. An activity has a "negligible impact" on a species or stock when it is determined that total taking is not likely to reduce annual rates of adult survival or annual recruitment (i.e., offspring survival, birth rates). In authorizing marine mammal takes, NMFS must prescribe means of affecting the least practicable adverse impact on the affected species or stocks (i.e., mitigation and monitoring requirements). In the event that any aspect of the Cabrillo Port LNG terminal will result in a "take," the project applicant (or the Coast Guard acting on behalf of the project applicant) would be required to obtain an incidental take authorization in advance from NMFS. See 16 U.S.C. §§ 1371(a)(5)(A) and (a)(5)(D).

Recommendations

There are several marine species listed as endangered or threatened under the ESA that may be found in the vicinity of the project area. In the event the Coast Guard determines the Cabrillo Port LNG terminal may affect a listed species, it must initiate either informal or formal consultation with NMFS and/or the FWS. In addition to the comments provided below, more information is needed to determine whether the Section 7 consultation can be concluded informally or formally. NMFS provides the following information related to marine mammals and sea turtles based on the information provided in the DEIS/EIR.

The DEIS/EIR (page 4.3-27) discusses measures to minimize impacts to marine mammals due to the increase in vessel traffic as a result of this project. There is an increased potential for collisions with marine mammals, particularly transiting whales, dolphins and pinnipeds. The guidelines provided in the DEIS/EIR on page 4.7-49 (line 30-38) should be made available to all vessel operators associated with the project and posted in the pilothouse. NMFS also recommends that ships maintain open communication with other vessels in the area to gain insight on locations of marine mammals and sea turtles to reduce the likelihood of collision.

NMFS concurs with the proposed mitigation measure (AMM BioMar-9a/9b) to avoid offshore construction during the gray whale migration season. However, NMFS requests that vessels be provided with information describing the protocol for minimizing impacts to marine mammals and sea turtles that may occur from project vessels traveling, particularly through known migration routes, during construction and general LNG operations. Please describe in detail the marine mammal monitoring protocol and include the following information: methods, how long marine mammal monitors will be on duty, if they will rotate positions, and what geographic areas they will be covering.

NMFS recommends that the Coast Guard provide a description of the frequency with which helicopters will access the FSRU area and the flight path. These activities have the potential to harass seals and sea lions, particularly if the helicopters travel over any known haul-out sites for these species.

Lastly, on line 28 (page 4.7-28) please add the italicized and underlined language to the line beginning: "During construction, USFWS and NMFS approved marine mammal and sea turtle monitors...."



16613
September 15, 2005

Ms. Diane Noda
Field Supervisor
Ventura Fish and Wildlife Office
2493 Portola Road, Suite B
Ventura, CA 93003

Dear Ms. Noda:

The U.S. Coast Guard (USCG), in conjunction with the California State Lands Commission (CSLC), prepared a draft Environmental Impact Statement (EIS)/Environmental Impact Report (EIR) for the construction and operation of the Cabrillo Deepwater Port Project (Port), a Floating, Storage, and Regasification Unit (FSRU) in October 2004. Subsequently, the Applicant has changed portions of their application, including portions of the offshore and onshore pipeline routes. As a result, the document is being recirculated under CEQA.

At this time, we seek to informally consult with the USFWS regarding the presence of threatened and endangered species that may be affected by the proposed changes. Attached are maps of these proposed changes to the pipeline routes. Please note that these routes are being in considered in addition to the ones already described in the October 2004 draft EIS/EIR. The new portion of the onshore route extends from approximately Milepost 12.5 to Milepost 14.7 of the proposed route. The changes to offshore/shore crossing is the inclusion of different pipeline routes and shore crossings for the Arnold Road and Point Mugu/Casper Road shore crossings. We also are requesting an updated list of species of concern that occur within the region of influence (ROI) and a list of any additional concerns that USFWS may have regarding the potential impacts of the Proposed Action on federally listed species.

We look forward to working with your office on this project. Please send any comments/correspondence to the USCG through one of the following methods:

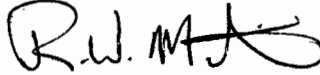
- (1) By mail to:
Ms. Joan Lang
Commandant (G-MSO-5)
U.S. Coast Guard
Deepwater Ports Standards Division, Room 1210
2100 Second Street, SW
Washington, DC 20593
- (2) Or, by fax at (202) 267-4570
- (3) Or by E-mail to jlang@comdt.uscg.mil

16613

September 15, 2005

Thank you for your assistance. If you have questions about the proposed establishment of the Cabrillo Deepwater Port Project or about the EIS/EIR please contact me at (202) 267-2498.

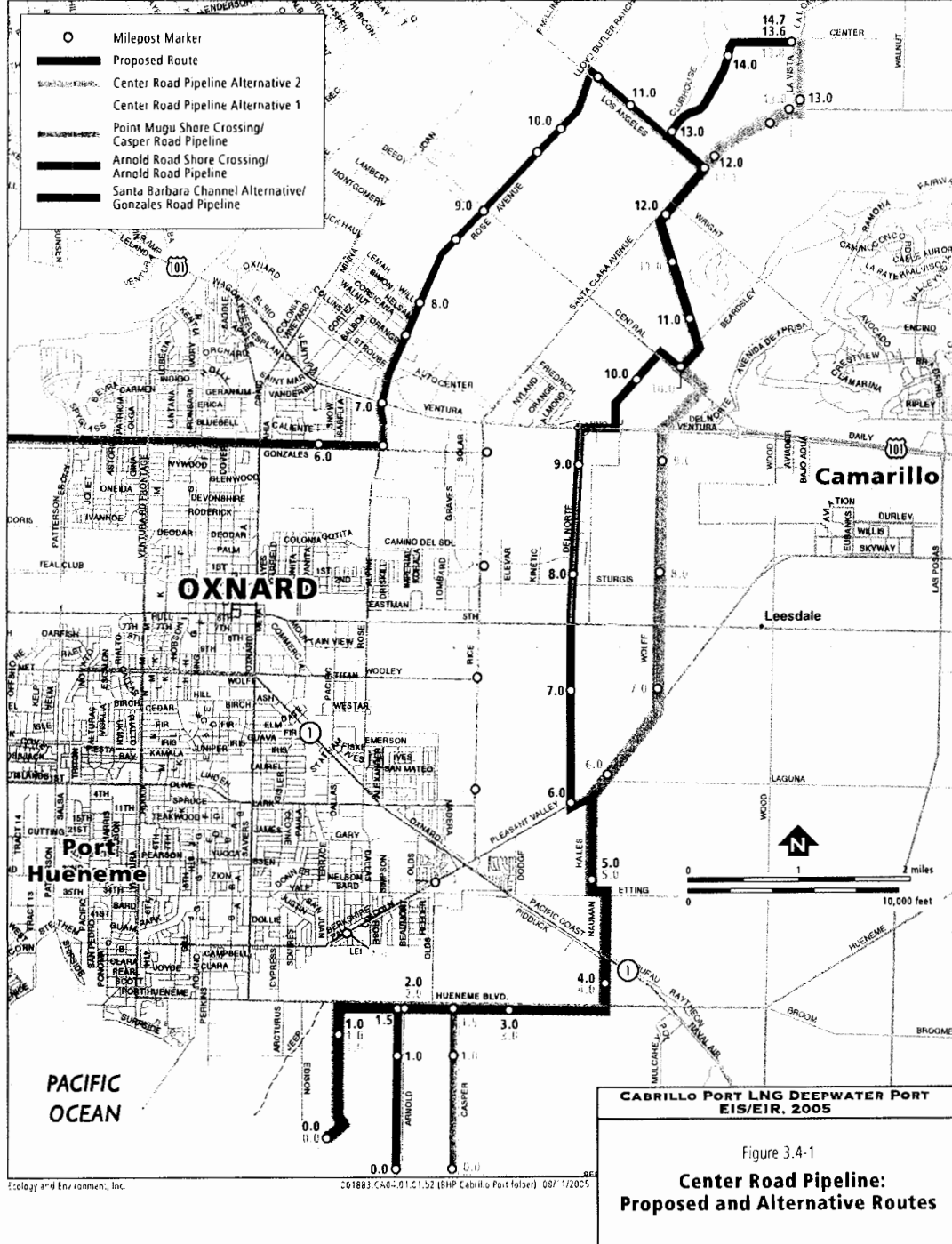
Sincerely,

A handwritten signature in black ink, appearing to read "R.W. Martin", with a stylized flourish at the end.

R. W. MARTIN
Project Manager
Deepwater Ports Standards Division
U.S. Coast Guard
By direction

Enclosures: (1) Center Road Pipeline: Proposed and Alternative Routes
(2) Shore Crossing Map BHP Cabrillo Port HDB Shore Crossing Project

Base map source: Figure S.7-1, Transportation - Center Road and Alternative Pipeline Routes, circa December 9, 2003



**U.S. Department of
Homeland Security**

**United States
Coast Guard**



Commandant
United States Coast Guard

2100 Second Street, S.W.
Washington, DC 20593-0001
Staff Symbol: G-MSO-5
Phone: (202) 267-1683
Fax: (202) 267-4570
Email: rmartin@comdt.uscg.mil

16613
September 15, 2005

Mr. Rodney McInnis
Acting Regional Administrator for Protected Resources
National Marine Fisheries Service
National Oceanic and Atmospheric Administration
U.S. Department of Commerce
501 West Ocean Boulevard, Suite 4200
Long Beach, CA 90802-4213

Dear Mr. McInnis:

In October 2004, the U.S. Coast Guard (USCG), in conjunction with the California State Lands Commission (CSLC), published a draft Environmental Impact Statement (EIS)/Environmental Impact Report (EIR) for the construction and operation of the Cabrillo Deepwater Port Project (Port), a Floating, Storage, and Regasification Unit (FSRU) off the coast of Ventura County in Southern California. Subsequently, the Applicant has changed portions of their application, including portions of the proposed offshore pipeline route, shore crossing, and onshore pipeline route in Ventura County. The document will be recirculated under CEQA.

In accordance with Section 7 of the Endangered Species Act and the Marine Mammals Protection Act, we seek to informally consult with the NOAA Fisheries regarding the presence of marine mammals and threatened and endangered species that may be affected by the proposed changes. The recirculated draft EIR will analyze the impacts of the Proposed Action on protected species. In order to fully assess the potential impacts associated with the Proposed Action on protected resources, we are requesting an updated list of species of concern that occur within the region of influence and a list of any additional concerns that NOAA Fisheries may have regarding the potential impacts of the Proposed Action on federally listed or other sensitive species that are found within the proposed new routes. Maps of the new routes are attached. Please note that the route associated with the Reliant Energy Site is the one that was previously analyzed in the October 2004 draft EIS/EIR. The new route is the one associated with the Point Mugu/Casper Road and Arnold Road shore crossings. We will also consult with the U.S. Fish and Wildlife Service and California Department of Fish and Game regarding the presence of threatened and endangered species under their jurisdiction.

As we stated in the October 2004 EIS/EIR, we do not believe that the Proposed Action would have an adverse impact on essential fish habitat (EFH). However, Daniel Basfa's letter of December 20, 2004 indicates that NOAA believes there could be adverse effects to EFH unless certain mitigation measures are implemented. The Applicant has proposed not to use horizontal directional drilling, but instead has proposed to use horizontal directional boring. No drilling muds are used in this technique. The Applicant would develop a spill prevention and countermeasure as detailed in the Hazardous Material Section of the October 2004 Draft EIS/EIR. In order to operate (if a license is approved), the Applicant will need to comply with

16613
September 15, 2005

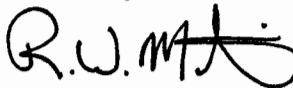
the mandates of all EPA required permits, including a NPDES permit. The Applicant would also be required to comply with all applicable regulations with respect to ballast water exchange. The formal Section 305(b)(4)(B) will be included in the recirculated draft EIR.

We look forward to working with your office on this project. Please send any comments/correspondence to the USCG through one of the following methods:

- (1) By mail to:
Ms. Joan Lang
Commandant (G-MSO-5)
U.S. Coast Guard
Deepwater Ports Standards Division, Room 1210
2100 Second Street, SW
Washington, DC 20593
- (2) Or, by fax at (202) 267-4570
- (3) Or by E-mail to jlang@comdt.uscg.mil

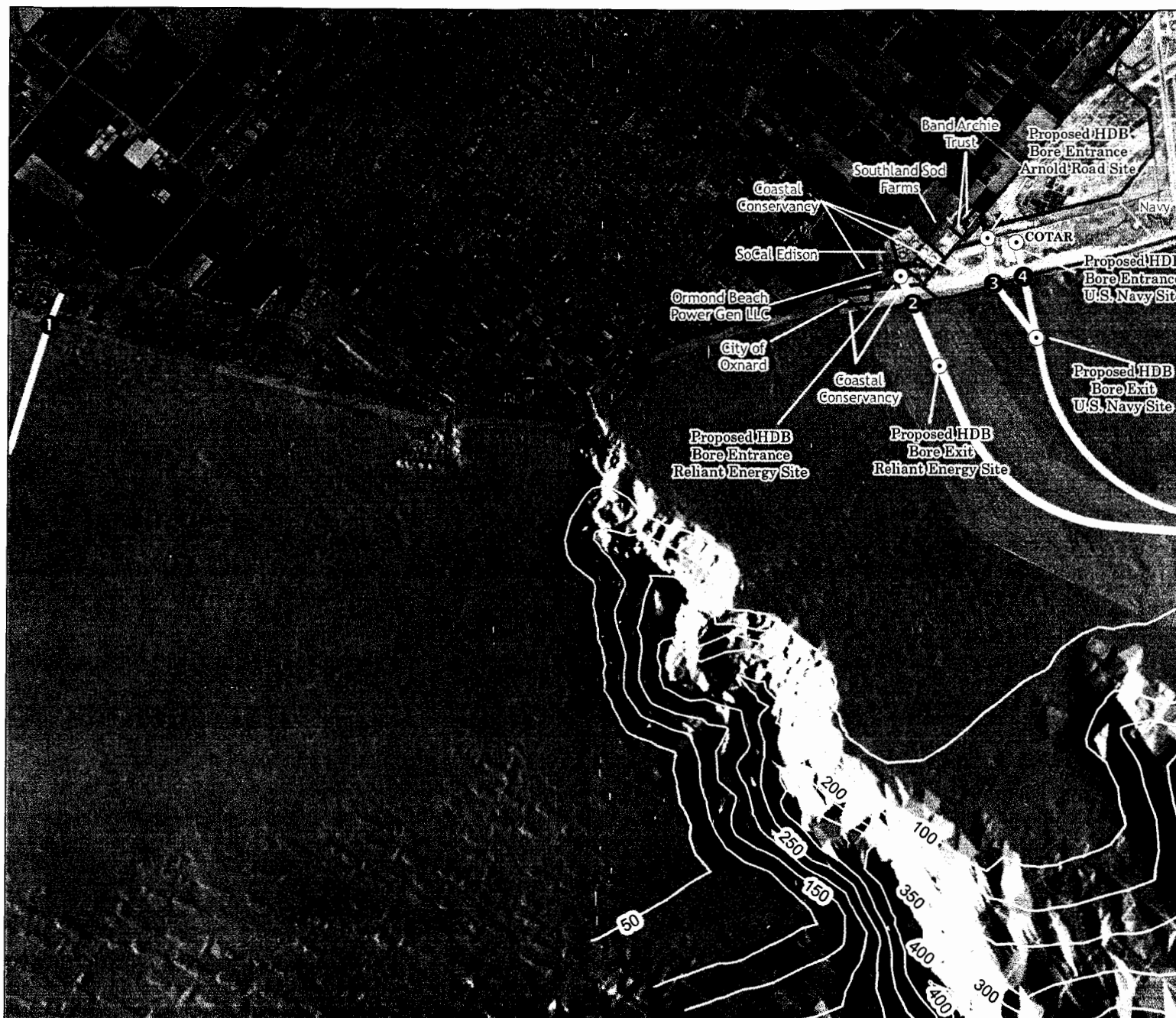
Thank you for your assistance. If you have questions about the proposed establishment of the Cabrillo Deepwater Port Project or about the EIS/EIR please contact me at (202) 267-2498.

Sincerely,



R. W. MARTIN
Project Manager
Deepwater Ports Standards Division
U.S. Coast Guard
By direction

Enclosure: Shore Crossing Map BHP Cabrillo Port HDB Shore Crossing Project



Legend

- Proposed HDB Bore Entrances and Exits

Bathymetric Contour
(50 m)

Proposed HDB
Alignment

Alternative HDB
Alignments

■ Parcels

Shore Crossings

- 1 Reliant Energy
Mandalay
Generating Station
Shore Crossing
- 2 Reliant Energy Ormond
Beach Shore Crossing
- 3 Arnold Road Shore Crossing
- 4 Point Mugu/Casper Road
Shore Crossing



0.5 0.25 0 0.5
Miles

NAD83 UTM Zone 11 South

CABRILLO PORT LNG DEEPWATER PORT
RECIRCULATED EIS/DRAFT EIR

Shore Crossing Map
BHP Cabrillo Port HDB
Shore Crossing Project

Source: BHP Billiton, Entrix 2005

